

Louisiana (03-12)
approved: 06/24/03
effective: 01/01/03

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 03-12	2. STATE Louisiana
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2003	

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

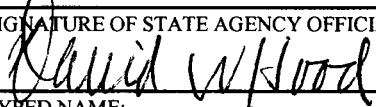
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 Subpart D	7. FEDERAL BUDGET IMPACT: a. FFY <u>2003</u> <u>\$0</u> b. FFY <u>2004</u> <u>\$0</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 12a, Page 1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 96-42)

10. SUBJECT OF AMENDMENT: **The purpose of this amendment is to remove the coverage of indwelling catheters and catheter trays from Pharmacy Benefits Management Program. These items will now be covered under the Durable Medical Equipment Program.**

11. GOVERNOR'S REVIEW (Check One):



☐ GOVERNOR'S OFFICE REPORTED NO COMMENT ☒ OTHER, AS SPECIFIED: **The Governor does not review state plan material**
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Louisiana Department of Health and Hospitals 1201 Capitol Access Road PO Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: David W. Hood	
14. TITLE: Secretary	
15. DATE SUBMITTED: March 21, 2003	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 26 MARCH 2003	18. DATE APPROVED: 24 JUNE 2003
---	--

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 JANUARY, 2003	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME:  ANDREW A. FREDRICKSON	22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR DIV OF MEDICAID & CHILDREN'S HEALTH

23. REMARKS:

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1902(a) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	Medical and Remedial	<u>Prescription drugs, dentures, and prosthetic devices and Eyeglasses</u>
42 CFR	Care and Services	<u>Prescribed by a Physician Skilled in Diseases of the Eye, or by an</u>
447	Item 12.a.	<u>Optometrist.</u>
Subpart D		

Prescribed Drugs are reimbursed as follows:

I. METHODS OF PAYMENT

Maximum and minimum payment rates for medications - pharmacy or dispensing physician are as follows:

A. Maximum Pharmaceutical Price Schedule

The Maximum payment by Louisiana Medicaid Program for a prescription shall be no more than the cost of the drug established by the state plus the established maximum allowable overhead cost. Each pharmacy's records shall establish that the overhead cost paid by the Medicaid Program does not exceed the reimbursement for overhead costs paid by others. This also applies to the payment for insulin, and diabetic supplies for which the over head cost may not exceed 50% of the wholesale price shown in the pharmacy's purchasing records.

B. Payment for Medications to Dispensing Physicians/Practitioners

Payment will be made for medications dispensed by a physician or other practitioner (within the scope of practice as prescribed by State Law) on a continuing basis only when his main office is more than five miles from a facility which dispenses drugs.

Under the above circumstances, vendor payment (when the treating prescriber dispenses his own medications and bills Louisiana Medicaid Program under his own name or the name of his own clinic or hospital) will be made on the same basis as a pharmacist as specified in Paragraph A. above.

II. STANDARDS FOR PAYMENT

- A. Reimbursement will be made for medications following payment procedures for a Medicaid Program enrollee presenting proper identification.
- B. The pharmacy must be licensed to operate in Louisiana, except:
 - 1. as provided for a person residing near the state line; or
 - 2. as provided for an enrollee visiting out-of-state.
- C. Payment will be made only to providers whose records are subject to audit.

III. REIMBURSEMENT LIMITS

Payments shall be limited to Drugs covered by Louisiana Medicaid Program.

A. Definitions

TN# 03-12
Supersedes
TN# 96-12

Approval Date 6-20-03

Effective Date 1-1-03

A	
STATE	Louisiana
DATE REC'D	3-26-03
DATE APP'D	6-24-03
DATE EFF	1-1-03
HCFA 179	03-12